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SUBJECT: SENATORS' NUCLEAR DEADLINE BRINGS (MOSTLY)
POSITIVE REACTION

¶1. (SBU) Summary: The setting of a June deadline by Senators Kerry, Biden and Hagel during their February 20 visit to Delhi has sparked a tepid reaction from the Congress Party and, strangely, the Communists, while media supporters have used the opportunity to remind the Indian government of its responsibility to complete the nuclear deal. The Congress Party and the Left both dismissed the importance of the deadline and asserted that India would act based on its own needs. Strategic observers, however, two of whom attended the Ambassador's lunch in honor of the Senators, publicly cited the deadline as evidence that the Indian government must complete the IAEA safeguards agreement now. End Summary.

Senators Set July Deadline

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¶2. (SBU) Senators John Kerry, Joe Biden and Chuck Hagel made front-page news when they set a June deadline for the submission of the 123 Agreement to the U.S. Congress during their February 20 visit to Delhi. During the press conference, Senator Biden stated that "if we do not have the deal back before us clearly prior to the month of July, it's going to be very difficult, just not on the merits, but very difficult in terms of the mechanics of the way our system functions to ratify the deal." Responding later to a question from the Reuters correspondent, Senator Biden elaborated that "although it is only a 'single vote' we have to take," if the U.S. Congress does not receive it by the August recess, "it will get caught up in our appropriations fights." When Senator Hagel interjected that June would also be difficult, Senator Biden reiterated that "if it's not done by the end of July, before we leave on the recess, there is no prospect." Senator Biden clarified that the U.S. Congress had an "even chance" of approving the 123 Agreement if it receives the Agreement by early June.

¶3. (SBU) Senator Biden also made clear that a future president would not entertain the current arrangement. "If in fact we do not have the deal in time to act upon it, it is highly unlikely -- highly unlikely -- the next President will be able to present the same deal. It will be renegotiated," he maintained. "The Democrats feel very strongly that we have to re-elevate the whole issue of nuclear non-proliferation, of arms controls agreements, of nuclear test ban treaties," he underlined. But, he reasoned, "India should be at the table when those discussions take place."

Congress and Left Parties Dismiss the Deadline

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¶4. (SBU) Both the Congress Party and Communists asserted that India would decide for itself when to proceed with the nuclear initiative. Congress media department chairman M. Veerappa Moily responded that "the Congress has reiterated time and again that the deal will be on our terms." He dismissed the Senators' bottom-line. "This deadline business has always been there. We should not be too concerned about deadlines," he insisted. Moily reminded that the Congress Party has pledged to stick with its coalition. "We should be more concerned about addressing our allies and people's concern." The February 21 Telegraph quoted another Congress Party source, who indicated that the Congress remained split between those who wanted to sacrifice the government for the deal and those who saw little to gain from jettisoning the Left. This source divulged that the UPA government would allow the initiative to proceed "on its own momentum without anyone getting pro-active," and clarified that this strategy did not mean a "quiet burial" for the nuclear deal. Regarding the IAEA safeguards agreement, he said that "our friends from Bengal and Kerala (i.e. the Communists) will have to accept what we come back with."

¶5. (SBU) The Communists issued a strangely muted reaction to the press conference. Communist Party of India (Marxist) (CPM) general secretary Prakash Karat responded, "From the American viewpoint, the Senators were correct, but this is not going to change or influence our own course of action. We will work according to what suits us best." Communist Party of India (CPI) national secretary D. Raja also told the Pioneer that the CPI would not allow the UPA government to "yield to U.S. pressure."

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Media Echoes the Senators' Call

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¶6. (SBU) The English-language news media built on the senators' remarks to urge the Indian government to push the initiative forward. Ambassador G. Parthasarthy wrote in the February 22 Times of India that "any objective analyst will note that under no circumstances will we get a better deal from any U.S. administration in the foreseeable future, especially if the Democrats occupy the White House." He challenged the Communists to oppose Chinese missile transfers to Pakistan and incursions into Bhutan as much as they oppose "improving Indo-U.S. relations or to an end to global nuclear sanctions against India, initiated by the Americans." An Indian Express February 22 editorial stated its concern about the July deadline and concluded that "it would be unfortunate if the agreement were to fall through because of political reasons than due to any technical ones, as both countries have staked so much political capital on it." (Note: Both Parthasarthy and Indian Express publisher Shekhar Gupta attended the February 20 lunch with the senators hosted by Ambassador Mulford. End Note.) Even the vehemently anti-U.S. Asian Age published a February 22 opinion piece by former Union Minister Arun Nehru, who argued that "the U.S.-India nuclear deal would have taken us to new levels of cooperation. I think what we are witnessing now is merely a pause, and sensible elements on both sides will find an acceptable solution."

Will the GOI Move Quickly?

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¶7. (SBU) MEA Joint Secretary (Americas) Gaitri Kumar told PolCouns that she believed the press conference would help clarify the timeline issues as well as settle whether a future president would carry on the same initiative. However, G. Balachandran, a senior fellow at the Institute for Diplomacy and Strategic Analyses (IDSA), believed that the senators plea would fall on deaf ears. Balachandran contended that the Indian government would deliver the 123 Agreement to the U.S. Congress as late as November 2008.

When poloff pointed out that this runs the risk of starting over in the next administration, Balachandran responded that when India moves forward on its Russian and French agreements, the Indian government will count on U.S. business to pressure the U.S. Congress and new president to approve the same agreement quickly and without conditions.

Comment: Senators' Remarks Help, But the GOI Will Continue on Own Terms

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18. (SBU) As the Prime Minister and National Security Advisor made clear in their conversations with the Senators, the Indian government remains intent to complete the nuclear initiative and keep the coalition intact. The upcoming budget session of Parliament, which begins February 25, will provide yet another opportunity for opponents to attack the nuclear initiative. The Congress Party may hope that the Left softens its anti-nuclear rhetoric in order to pass a people-friendly budget. In any case, the Senators' comments help refute the oft-heard assertion, particularly made by the Left, that India should wait until after the current administration to conclude the initiative.

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